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NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Producers 88 (4-89) — Paid Up With 640 Acres Pooling Provision STANDARD LEASE v.5

## PAID UP OIL AND GAS LEASE

(No Surface Use)

THIS LEASE AGREEMENT is made this day of	tugust	, 2008, by and between
Tina Carol Lara MKIA Tina Lari	a a Single	Person
whose addresss is PO BOX 150334 HT to Texa 76015 as Lessor, and, DALE PROPERTY SERVICES, L.L.C., 2100 Ross Avenue, Sulte 1870 Datlas, Texas 75201, as Lessee. All printed portions of this lease were prepared by the party hereinabove named as Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.  1. In consideration of a cash bonus in hand paid and the covenants herein contained, Lessor hereby grants, leases and lets exclusively to Lessee the following described land, hereinafter called leased premises:		
241	25	2,
OUT OF THE SUN SET VIEW	ADDIT	, BLOCK TON, AN ADDITION TO THE CITY OF
Fort Works TARRANT COUN	TY, TEXAS, ACCORDING TO	THAT CERTAIN PLAT RECORDED TARRANT COUNTY, TEXAS.
in the County of Tarrant, State of TEXAS, containing gross acres, more or less (including any interests therein which Lessor may hereafter acquire by reversion, prescription or otherwise), for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and non hydrocarbon substances produced in association therewith (including geophysical/seismic operations). The term "gas" as used herein includes helium, carbon dioxide and other commercial gases, as well as hydrocarbon gases. In addition to the above-described leased premises, this lease also covers accretions and any small strips or parcels of land now or hereafter owned by Lessor which are contiguous or adjacent to the above-described leased premises, and, in consideration of the aforementioned cash bonus, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any shut-in royalties hereunder, the number of gross acres above specified shall be deemed correct, whether actually more or less.		
<ol><li>This lease, which is a "paid-up" lease requiring no rentals, shall be in force for as long thereafter as oil or gas or other substances covered hereby are produced in particular.</li></ol>	or a primary term of	()years from the date hereof, and for see or from lands pooled therewith or this lease is
otherwise maintained in effect pursuant to the provisions hereof.  3. Royalties on oil, gas and other substances produced and saved hereunder shall be paid by Lesser to Lessor as follows: (a) For oil and other liquid hydrocarbons.		
separated at Lessee's separator facilities, the royalty shall be \( \frac{VV-1-1}{1} \). Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities the wellhead market price then prevailing in the same field (or if there is no such provailing price) for production of similar grade and gravity; (b) for gas (includin %) of the proceeds realized by production, seylrance, or other excise taxes and the costs incurred by Lessee in del Lessee shall have the continuing right to purchase such production at the prevailing with no such price then prevailing in the same field, then in the nearest field in which there the same or nearest preceding date as the date on which Lessee commences its purcomore wells on the leased premises or lands pooled therewith are capable of either program waiting on hydraulic fracture stimulation, but such well or wells are either shut-in obe deemed to be producing in paying quantities for the purpose of maintaining this lethere from is not being sold by Lessee, then Lessee shall pay shut-in royalty of one Lessor's credit in the depository designated below, on or before the end of sald 90-day while the well or wells are shut-in or production there from is not being sold by Lessee is being sold by Lessee from another well or wells on the leased premises or lands in following cessation of such operations or production. Lessee's failure to properly paterminate this lease.	"%) of such ites, provided that Lessee shall have the ites provided that Lessee shall have the ite then prevailing in the same field, ig casing head gas) and all other say Lessee from the sale thereof, less livering, processing or otherwise markeyellhead market price pald for productive is such a prevailing price) pursuant to chases hereunder; and (c) if at the encoducing oil or gas or other substances in production there from is not being so ease. If for a period of 90 consecutive and collar per acre then covered by this ay period and thereafter on or before a provided that if this lease is otherwispooled therewith, no shut-in royalty shut-in royalty shall render Lessee is	production, to be delivered at Lessae's option to be continuing right to purchase such production at then in the nearest field in which there is such a substances covered hereby, the royally shall be a proportionate part of ad valorem taxes and eliging such gas or other substances, provided that on of similar quality in the same field (or if there is to comparable purchase contracts entered into on of of the primary term or any time thereafter one or covered hereby in paying quantities or such wells id by Lessee, such well or wells shall nevertheless be days such well or wells are shut-in or production lease, such payment to be made to Lessor or to each anniversary of the end of said 90-day period is being maintained by operations, or if production tall be due until the end of the 90-day period next liable for the amount due, but shall not operate to
4. All shut-in royalty payments under this lease shall be paid or tendered to Lesbe Lessor's depository agent for receiving payments regardless of changes in the own draft and such payments or tenders to Lessor or to the depository by deposit in the Laddress known to Lessee shall constitute proper payment. If the depository should life payment hereunder, Lessor shall, at Lessee's request, deliver to Lessee a proper recomments or lands pooled for in Paragraph 3, above, if Lessee drills a well which is premises or lands pooled therewith, or if all production (whether or not in paying quirsuant to the provisions of Paragraph 6 or the action of any governmental auth nevertheless remain in force if Lessee commences operations for reworking an existion in the leased premises or lands pooled therewith within 90 days after completion of of the end of the primary term, or at any time thereafter, this fease is not otherwise be	nership of said land. All payments or to JS Mails in a stamped envelope addro- quildate or be succeeded by another insolved ordable instrument naming another installations in incapable of producing in paying qua- uantities) permanently ceases from a nority, then in the event this lease is ng well or for drilling an additional well operations on such dry hole or within?	nders may be made in currency, or by check or by sead to the depository or to the Lessor at the last istitution, or for any reason fail or refuse to accept itution as depository agent to receive payments. nittles (hereinafter called "dry hole") on the leased ny cause, including a revision of unit boundaries not otherwise being maintained in force it shall I or for otherwise obtaining or restoring production. If all 0 days after such cessation of all production. If all
operations reasonably calculated to obtain or restore production therefrom, this lease no cessation of more than 90 consecutive days, and if any such operations result in there is production in paying quantities from the leased premises or lands pooled the Lessee shall drill such additional wells on the leased premises or lands pooled therew to (a) develop the leased premises as to formations then capable of producing in paying eased premises from uncompensated drainage by any well or wells located on other additional wells except as expressly provided herein.	shall remain in force so long as any or the production of oil or gas or other serewith. After completion of a well cap ith as a reasonably prudent operator w aying quantities on the leased premise	ne or more of such operations are prosecuted with substances covered hereby, as long thereafter as pable of producing in paying quantities hereunder, yould drill under the same or simitar circumstances as or lands pooled therewith, or (b) to protect the

6. Lessee shall have the right but not the obligation to pool all or any part of the leased premises or interest therein with any other lands or interests, as to any or all depths or zones, and as to any or all substances covered by this lease, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands or interests. The unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10%, and for a gas well or a horizontal completion beaution to conform to any well spacing or density pattern that may be prescribed or permitted by any governmental authority having jurisdiction to do so. For the purpose of the foregoing, the terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or the appropriate governmental authority, or, if no definition is so prescribed, "oil well" means a well with an initial gas-oil ratio of 100,000 cubic feet per barrel and "gas well" means a well with an initial gas-oil ratio of 100,000 cubic feet per barrel and "gas well" means as well with an initial gas-oil ratio of 100,000 cubic feet per barrel and "gas well" means as well with an initial gas-oil ratio of 100,000 cubic feet per barrel and "gas well" means as well with an initial gas-oil ratio of 100,000 cubic feet per barrel and "gas well" means as well with an initial gas-oil ratio of 100,000 cubic feet per barrel and "gas well" means as well with an initial gas-oil ratio of 100,000 cubic feet per barrel and "gas well" means as well with an initial gas-oil ratio of 100,000 cubic feet per barrel and "gas well" means as well with an initial gas-oil ratio of 100,000 cubic feet per barrel and "gas well" means as well with an initial gas-oil ratio of 100,000 cubic feet per barrel and "gas well" means as well with an initial gas-oil ratio of 1

7. If Lessor owns less than the full mineral estate in all or any part of the leased premises, the royalties and shut-in royalties payable hereunder for any well on any part of the leased premises or lands pooled therewith shall be reduced to the proportion that Lessor's interest in such part of the leased premises bears to the full mineral estate in such part of the leased premises.

8. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the

rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days ownership shall have the effect of reducing the rights or enlarging the obligations or Lessee hereunder, and no change in ownership shall be principled to use the course of the documents establishing such change of ownership to the satisfaction of Lessee or until Lessor has satisfied the notification requirements contained in Lessee's usual form of division order. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to decedent or decedent's estate in the depository designated above. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons or to their credit in the depository, either jointly or separately in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part Lessee shall be relieved of all obligations thereafter addition with respect to the transferred interest, and failure of the transferred interest shall not affect the rights of separately in proportion to the interest which each owns. It bessee transfers its interest nereunder in whole or in part Lessee shall be relieved of all obligations thereater arising with respect to the transferred interest, and failure of the transferree to satisfy such obligations with respect to the transferrest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease then held by each.

9. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this lease as to a full or undivided interest in all or any portion of the area covered by this lease or any depths or zones there under, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

s. Lessee makes as to at uniformitime to transport or the service of the or record a written release of this lessee as to at uniformitime to transport or the area covered by this lessee or any depths or zones there under, and shall therupon be relieved of all obligations thereafter airsing with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obtigation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or lands spooled or unitized herewith, in primary and/or enhanced recovery, Lessees shall have the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the difficing of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and the facilities detenden chessary by Lessee to discover, produce, store, treat and/or transport production. Lessee may use in such operations, free of cost, any oil, gas, water and/or other substances produced on the leased premises can be used to the control of the relievance of the relieva

other benefit. Such subsurface well bore easements shall run with the land and survive any termination of this lease.

15. Lessor hereby warrants and agrees to defend title conveyed to Lessee hereunder, and agrees that Lessee at Lessee's option may pay and discharge any taxes, mortgages or liens existing, levied or assessed on or against the leased premises. If Lessee exercises such option, Lessee shall be subrogated to the rights of the party to whom payment is made, and, in addition to its other rights, may reimburse itself out of any royalties or shut-in royalties otherwise payable to Lessor hereunder. In the event Lessee is made aware of any claim inconsistent with Lessor's title, Lessee may suspend the payment of royalties and shut-in royalties hereunder, without interest, until Lessee has been furnished satisfactory evidence that such claim has been resolved.

Notwithstanding anything contained to the contrary in this lease. Lessee shall not have any rights to use the surface of the leased premises for drifting or other.

Notwithstanding anything contained to the contrary in this lease, Lessee shall not have any rights to use the surface of the leased premises for drilling or other operations

operations.

17. This lease may be executed in counterparts, each of which is deemed an original and all of which only constitute one original.

DISCLAIMER OF REPRESENTATIONS: Lessor acknowledges that oil and gas lease payments, in the form of rental, bonus and royalty, are market sensitive and may vary depending on multiple factors and that this Lease is the product of good faith negotiations. Lessor understands that these lease payments and terms are final and that Lessor entered into this lease without duress or undue influence. Lessor recognizes that lease values could go up or down depending on market conditions. Lessor acknowledges that no representations or assurances were made in the negotiation of this lease that Lessor would get the highest price or different terms depending on future market conditions. Neither party to this lease will seek to alter the terms of this transaction based upon any differing terms which I seems have or may possible with any other becordfail and page compare. which Lessee has or may negotiate with any other lessors/oil and gas owners.

IN WITNESS WHEREOF, this lease is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory's heirs, devisees, executors, administrators, successors and assigns, whether or not this lease has been executed by all parties hereinabove named as Lessor.

LESSOR (WHETHER ONE OR MORE) Lina Carol Lara Ву: ACKNOWLEDGMENT STATE OF larrant COUNTY OF Augus-This instrument was acknowledged before me on the day of \_ Lara Padiela MARIA MUNOZ PADILLA tary Public, State of Texas My Commission Expires KXag Notary Publ c, State of Notary's pame (printed): October 05, 2011

STATE OF COUNTY OF This instrument was acknowledged before me on the 2008 day of



## DALE RESOURCES 3000 ALTA MESA BLVD STE 300

FT WORTH

TX 76133

Submitter: DALE RESOURCES LLC

## SUZANNE HENDERSON TARRANT COUNTY CLERK TARRANT COUNTY COURTHOUSE 100 WEST WEATHERFORD FORT WORTH, TX 76196-0401

## <u>DO NOT DESTROY</u> WARNING - THIS IS PART OF THE OFFICIAL RECORD.

\$20.00

Filed For Registration: 08/13/2008 08:38 AM
Instrument #: D208316216
LSE 3 PGS

D208316216

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